

Message Text

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ACTION AF-10

INFO OCT-01 EUR-12 ISO-00 EB-08 TRSE-00 PM-05 OMB-01

SS-15 AID-05 CIAE-00 COME-00 FRB-03 INR-10

NSAE-00 ICA-11 XMB-02 OPIC-03 SP-02 LAB-04 SIL-01

/093 W

-----009360 031752Z /43

P 031542Z MAY 78

FM AMEMBASSY KINSHASA

TO SECSTATE WASHDC PRIORITY 9514

INFO SECDEF WASHDC

AMEMBASSY BRUSSELS

C O N F I D E N T I A L SECTION 1 OF 2 KINSHASA 4397

E.O. 11652: GDS

TAGS: EFIN, MASS, CG, US

SUBJECT: FMS ARREARAGES

REF: STATE 107328

1. AFTER EXAMINATION OF PREVIOUS FMS BILLINGS TO GOZ, EMBASSY UNABLE

TO

IDENTIFY DOLS 12,611,846.56 FIGURE GIVEN REFTEL. IT IS OUR UNDERSTANDING THAT GOZ CURRENTLY OWES (A) UNRESCHEDULED INTEREST PAYMENTS FROM THE SECOND HALF OF 1976, (B) INTEREST AND PRINCIPAL PAYMENTS UNDER THE 1975-76 RESCHEDULING AGREEMENT FALLING DUE 1 JULY 1977 AND 1 JANUARY 1978, (C) THE FIVE PER CENT PAYMENT ON THE NON-CONSOLIDATED PORTION OF THOSE DEBTS FALLING DUE IN 1977 AS PER THE TERMS OF THE PARIS CLUB MEMORANDUM OF DECEMBER 1977, AND (D) ANY FMS PAYMENTS FALLING DUE IN 1978. FOLLOWING ARE AMOUNTS OWED IN EACH OF THESE CATEGORIES, BASED ON DOD BILLINGS TO THE GOZ:

A) 1976 UNRESCHEDULED SECOND HALF INTEREST PAYMENTS

LOAN 721 \$ 43,278.66

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LOAN 741 134,534.25

LOAN 751 73,233.52

LOAN 761 254,634.01

TOTAL \$505,680.44

B) 1975-76 RESCHEDULING PAYMENTS

GUARANTY 711:	PRINCIPAL	INTEREST	DATE DUE
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NON-CONSOL. PORTION	220,049.07	33,830.20	7/1/77
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-O-	18,618.41	1/1/78	
CONSOLIDATED PORTION -O-	191,704.41	7/1/77	
59,499.21	105,504.33	1/1/78	
TOTAL	279,548.28 PLUS 349,657.35	EQUALS	629,205.63
LOAN 721	PRINCIPAL	INTEREST	DATE DUE
NON-CONSOL. PORTION	15,154.77	3,184.76	7/1/77
-O-	1,279.64	1/1/78	
CONSOLIDATED PORTION -O-	18,046.95	7/1/77	
100.79	7,251.32	1/1/78	
TOTAL	15,255.56 PLUS 29,762.67	EQUALS	45,018.23
GUARANTY 731:	PRINCIPAL	INTEREST	DATE DUE
NON-CONSOL. PORTION	115,431.41	2,860.49	7/1/77
-O-	9,746.84	1/1/78	
CONSOLIDATED PORTION -O-	16,209.42	7/1/77	
-O-	55,232.08	1/1/78	
TOTAL	115,431.41 PLUS 84,048.83	EQUALS	199,480.24
LOAN 741:	PRINCIPAL	INTEREST	DATE DUE
NON-CONSOL.	88,395.11	22,184.57	7/1/77
-O-	7,463.96	1/1/78	
CONSOLIDATED PORTION -O-	125,712.53	7/1/77	
21,250.00	42,295.66	1/1/78	
TOTAL	109,645.11 PLUS 197,656.72	EQUALS	307,301.83
LOAN 751:	PRINCIPAL	INTEREST	DATE DUE
NON-CONSOL. PORTION	29,100.00	4,874.25	7/1/77
-O-	2,457.16	1/1/78	
CONSOLIDATED PORTION -O-	27,620.75	7/1/77	

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-O-	13,923.88	1/1/78	
TOTAL	29,100.00 PLUS 48,976.94	EQUALS	78,076.04
LOAN 761:	PRINCIPAL	INTEREST	DATE DUE
NON-CONSOL. PORTION	2,038.15	341.39	7/1/77
-O-	172.10	1/1/78	
CONSOLIDATED PORTION -O-	1,934.54	7/1/77	
-O-	975.22	1/1/78	
TOTAL	2,038.15 PLUS 3,423.25	EQUALS	5,461.40

GRAND TOTAL \$1,264,543.40

C) 1977 RESCHEDULING PAYMENTS

APPROXIMATELY \$433,333 - EMBASSY REQUESTED EXACT FIGURE FOR TRANS-MISSION TO THE GOZ IN KINSHASA 1958, 1911 AND 1793. TO DATE WE HAVE HAD NO RESPONSE. AMOUNG GIVEN ABOVE IS BASED ON THE APPROXIMATION LISTED IN PROPOSED 1977 BILATERAL AS "NON-CONSOLIDATED DEBT - DOD".

D) 1978 PAYMENTS DUE

	PRINCIPAL	INTEREST	DATE DUE
GUARANTY 711	989,831.00	33,352.58	4/1/78
LOAN 721	100,00.00	33,339.51	1/1/78
LOAN 741	350,000.00	94,173.98	1/1/78
LOAN 751	388,000.00	69,713.91	1/1/78
LOAN 765	-O-	80,231.55	4/1/78

TOTAL (A/O 1,827,831.00 PLUS 310,811.53 EQUALS 2,138.642.50
4/27/78)

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ACTION AF-10

INFO OCT-01 ISO-00 EB-08 TRSE-00 PM-05 OMB-01 SS-15
AID-05 CIAE-00 COME-00 FRB-03 INR-10 NSAE-00
ICA-11 XMB-02 OPIC-03 SP-02 LAB-04 SIL-01 EUR-12
/093 W

-----009432 031754Z /43

P 031542Z MAY 78
FM AMEMBASSY KINSHASA
TO SECSTATE WASHDC PRIORITY 9515
INFO SECDEF WASHDC
AMEMBASSY BRSELS

C O N F I D E N T I A L SECTION 2 OF 2 KINSHASA 4397

2. THESE FIGURES GIVE A GRAND TOTAL OF ALL FMS PAYMENTS NOW
OWED BY THE GOZ OF \$4,342,199.40 (FOUR MILLION THREE HUNDRED
FORTY-TWO THOUSAND ONE HUNDRED NINETY-NINE DOLLARS AND FORTY
CENTS). IN VIEW OF THE FACT THAT THE USG INITIALED THE PARIS
CLUB MEMORANDUM AGREEING TO RESCHEDULE 1977 PAYMENTS, WE FAIL
TO SEE HOW THESE COULD POSSIBLY BE CONSIDERED DUE, DESPITE THE
FACT THAT THE BILATERAL HAS NOT YET BEEN SIGNED. IN THIS
CONNECTION, IT SHOULD BE POINTED OUT THAT THE FRENCH TEXT OF
THE BILATERAL REACHED THE EMBASSY LESS THAN TWO WEEKS AGO.
GIVEN THE PERIOD OF MONTHS IT TOOK TO GET THIS TEXT, DESPITE
PERSISTENT GOZ REQUESTS, IT HARDLY SEEMS APPROPRIATE TO PUSH
THE GOZ FOR SIGNATURE AFTER ONLY TWO WEEKS. IN ADDITION, WE
HAVE YET TO RECEIVE AN IMPLEMENTING AGREEMENT FOR DOD FOR
1975-76 RPT 1975-76. OGEDEP HAS TRIED TO INTEGRATE THE
INDIVIDUAL BILLINGS RECEIVED FROM DOD INTO ITS SYSTEM, BUT IN
THE ABSENCE OF EVEN A DRAFT OF A FORMAL IMPLEMENTING
THIS HAS BEEN DIFFICULT. WE ASSUME THAT BOTH THE 1975-76 AND
1977 IMPLEMENTING AGREEMENTS WILL BE FORTHCOMING SHORTLY.

3. WITH REGARD TO 1978 PAYMENTS, THE GOZ HOPES TO CONCLUDE A
NEW IMF STANDBY WITHIN THE NEXT MONTH AND TO CALL A MEETING OF
THE PARIS CLUB SHORTLY THEREAFTER TO ASK FOR RESCHEDULING OF
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1978 PAYMENTS. THEREFORE, EMBASSY FEELS IT WOULD DETRACT FROM THE POSSIBILITY OF OBTAINING PROMPT PAYMENT OF ACTUAL FMS ARREARAGES TO PUSH THIS POINT NOW. EXCLUDING THESE 1978 PAYMENTS, THE AMOUNT OWED BY ZAIRE WOULD BE \$2,203,556.90 ACCORDING TO OUR FIGURES.

4. IN WORKING SESSION APRIL 28, TREASURY ASSISTANT SECRETARY BERGSTEN MENTIONED BROKKE AMENDMENT AND ITS IMPLICATION CONCERNING U.S. ASSISTANCE TO ZAIRE. GOZ OFFICIALS PRESENT AT WORKING SESSION INDICATED THEY UNDERSTOOD IMPORTANCE OF MAKING OVERDUE PAYMENTS PROMPTLY. UNFORTUNATELY, CENTRAL BANK GOVERNOR BOFOSSA, WHO IS KEY INDIVIDUAL FOR ACTUAL PAYMENT, WAS ATTENDING IMF MEETING IN MEXICO. WE INTEND TO PURSUE THIS MATTER WITH BOFOSSA PROMPTLY AFTER HIS RETURN TO ZAIRE BUT WOULD FIRST APPRECIATE DEPARTMENT EITHER CONFIRMING EMBASSY RECORDS OF EXACT AMOUNT DUE OR PROVIDING UPDATED FIGURES.

5. ZAMISH CONCURS THIS MESSAGE.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY SALES, DEBT DATA, DEBT REPAYMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 03 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978KINSHA04397
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780189-0073
Format: TEL
From: KINSHASA
Handling Restrictions: n/a
Image Path:
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Legacy Key: link1978/newtext/t19780598/aaaadfty.tel
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Litigation Codes:
Litigation History:
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Office: ACTION AF
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 STATE 107328
Retention: 0
Review Action: RELEASED, APPROVED
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Review Date: 27 apr 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2807190
Secure: OPEN
Status: NATIVE
Subject: FMS ARREARAGES
TAGS: EFIN, MASS, CG, US
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/d43b23a5-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014